



OFFICERS

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

State of _____Michigan_____ } ss
County of _____Kent_____ }

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Ken Meinke	John Miller	Shirley Grice
Kathy Lentz	Herbert Start	James Kirby MD
Gerald Bax	Lucille Grimm	Roland Palmer
Thomas Schouten		

President _____ Secretary _____ Treasurer _____

Subscribed and sworn to before me this
day of , 2002

ASSETS

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds	50,000		50,000	50,820
2. Stocks:				
2.1 Preferred stocks	0			
2.2 Common stocks	0			
3. Mortgage loans on real estate:				
3.1 First liens	0			
3.2 Other than first liens	0			
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....	1,335,681		(a) 1,335,681	1,373,954
4.2 Properties held for the production of income (less \$ encumbrances)	0			
4.3 Properties held for sale (less \$ encumbrances)	0			
5. Cash (\$1,555,546) and short-term investments (\$959,404)	2,514,950		2,514,950	2,375,684
6. Other long-term invested assets	805,019		805,019	811,476
7. Receivable for securities				
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	4,705,650		4,705,650	4,611,934
10. Accident and health premiums due and unpaid	726,709	1,317	725,392	799,554
11. Health care receivables	82,852	52,780	30,072	75,215
12. Amounts recoverable from reinsurers	357,485		357,485	
13. Net adjustment in assets and liabilities due to foreign exchange rates				
14. Investment income due and accrued	1,684		1,684	
15. Amounts due from parent, subsidiaries and affiliates	598,292	102,000	496,292	320,976
16. Amounts receivable relating to uninsured accident and health plans				
17. Furniture and equipment	138,710		138,710	277,081
18. Amounts due from agents				
19. Federal and foreign income tax recoverable and interest thereon (including \$ net deferred tax asset)	1,879,299	1,879,299	0	
20. Electronic data processing equipment and software.....	193,494		193,494	228,431
21. Other nonadmitted assets	178,379	178,379	0	
22. Aggregate write-ins for other than invested assets	311,116	7,787	303,329	307,165
23. Total assets (Lines 9 plus 10 through 22)	9,173,670	2,221,562	6,952,108	6,620,356
DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)				
2201. Pharmacy Inventory.....	242,886		242,886	305,719
2202. Salary Advances.....	1,787	1,787	0	0
2203. AR Other.....	66,443	6,000	60,443	1,446
2298. Summary of remaining write-ins for Line 22 from overflow page				
2299. Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above)	311,116	7,787	303,329	307,165

(a) \$ health care delivery assets included in Line 4.1, Column 3

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	3,046,801	274,696	3,321,497	4,113,648
2. Accrued medical incentive pool and bonus payments				
3. Unpaid claims adjustment expenses				
4. Aggregate policy reserves				
5. Aggregate claim reserves				
6. Premiums received in advance	595,899		595,899	417,138
7. General expenses due or accrued	950,251		950,251	536,786
8. Federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses) (including \$ net deferred tax liability)				
9. Amounts withheld or retained for the account of others				
10. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				5,693
11. Amounts due to parent, subsidiaries and affiliates	40,114		40,114	
12. Payable for securities				
13. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)				
14. Reinsurance in unauthorized companies				
15. Net adjustments in assets and liabilities due to foreign exchange rates				
16. Liability for amounts held under uninsured accident and health plans				
17. Aggregate write-ins for other liabilities (including \$0 current)	57,482		57,482	57,482
18 Total liabilities (Lines 1 to 17).....	4,690,547	274,696	4,965,243	5,130,747
19. Common capital stock	XXX	XXX	312,996	312,996
20 Preferred capital stock	XXX	XXX		
21. Gross paid in and contributed surplus	XXX	XXX	1,212,873	1,212,873
22. Surplus notes	XXX	XXX	500,000	500,000
23. Aggregate write-ins for other than special surplus funds	XXX	XXX	(39,004)	(536,259)
24. Unassigned funds (surplus)	XXX	XXX		
25. Less treasury stock, at cost:				
25.1shares common (value included in Line 19) \$)	XXX	XXX		
25.2shares preferred (value included in Line 20) \$)	XXX	XXX		
26. Total capital and surplus (Lines 19 to 25)	XXX	XXX	1,986,865	1,489,610
27. Total liabilities, capital and surplus (Lines 18 and 26)	XXX	XXX	6,952,108	6,620,357
DETAILS OF WRITE-INS				
1701. Malpractice Tail.....	57,482		57,482	57,482
1702.			0	0
1703.				
1798. Summary of remaining write-ins for Line 17 from overflow page				
1799. Totals (Lines 1701 thru 1703 plus 1798) (Line 17 above)	57,482		57,482	57,482
2301. Adjustment for non-admitted assets.....	XXX	XXX	(39,004)	(536,259)
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX		
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	(39,004)	(536,259)

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	120,460	255,910
2. Net premium income	XXX	19,394,694	35,979,806
3. Change in unearned premium reserves and reserve for rate credits	XXX		
4. Fee-for-service (net of \$ medical expenses)	XXX	355,906	739,752
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX	601,951	1,192,419
7. Total revenues (Lines 2 to 6)	XXX	20,352,551	37,911,977
Medical and Hospital:			
8. Hospital/medical benefits	761,940	12,835,006	24,334,299
9. Other professional services	11,432	1,247,391	2,740,967
10. Outside referrals			
11. Emergency room and out-of-area	22,210	428,694	768,587
12. Prescription drugs	0	3,057,653	5,663,444
13. Aggregate write-ins for other medical and hospital	12,685	402,262	897,674
14. Incentive pool and withhold adjustments			
15. Subtotal (Lines 8 to 14)	808,267	17,971,006	34,404,971
Less:			
16. Net reinsurance recoveries		357,485	12,322
17. Total medical and hospital (Lines 15 minus 16)	808,267	17,613,521	34,392,649
18. Claims adjustment expenses		95,122	183,922
19. General administrative expenses		2,228,822	3,270,426
20. Increase in reserves for accident and health contracts			
21. Total underwriting deductions (Lines 17 through 20)	808,267	19,937,465	37,846,997
22. Net underwriting gain or (loss) (Lines 7 minus 21)	XXX	415,086	64,980
23. Net investment income earned		72,681	191,198
24. Net realized capital gains or (losses)			
25. Net investment gains or (losses) (Lines 23 plus 24)		72,681	191,198
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			
27. Aggregate write-ins for other income or expenses		1,146	
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)		488,913	256,178
29. Federal and foreign income taxes incurred	XXX	166,701	113,000
30. Net income (loss) (Lines 28 minus 29)	XXX	322,212	143,178
DETAILS OF WRITE-INS			
0601. Copayments.....	XXX	601,951	1,192,419
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX		
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	601,951	1,192,419
1301. Other Medical Expense.....	12,685	402,262	897,674
1302.			
1303.			
1398. Summary of remaining write-ins for Line 13 from overflow page			
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	12,685	402,262	897,674
2701. Intercompany Interest.....		958	0
2702. Interest Expense.....		(325)	0
2703. Misc. Income.....		513	0
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)		1,146	

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year to Date	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
31. Capital and surplus prior reporting period	1,489,610	635,782
GAINS AND LOSSES TO CAPITAL & SURPLUS:		
32. Net income or (loss) from Line 30	322,212	143,178
33. Change in valuation basis of aggregate policy and claim reserves		
34. Net unrealized capital gains and losses		
35. Change in net unrealized foreign exchange capital gain or (loss)		
36. Change in net deferred income tax		
37. Change in nonadmitted assets	178,734	241,495
38. Change in unauthorized reinsurance		
39. Change in treasury stock		
40. Change in surplus notes	0	500,000
41. Cumulative effect of changes in accounting principles		
42. Capital Changes:		
42.1 Paid in		
42.2 Transferred from surplus (Stock Dividend)		
42.3 Transferred to surplus		
43. Surplus adjustments:		
43.1 Paid in		
43.2 Transferred to capital (Stock Dividend)		
43.3 Transferred from capital		
44. Dividends to stockholders		
45. Aggregate write-ins for gains or (losses) in surplus	(3,691)	(30,845)
46. Net change in capital & surplus (Lines 32 to 45)	497,255	853,828
47. Capital and surplus end of reporting period (Line 31 plus 46)	1,986,865	1,489,610
DETAILS OF WRITE-INS		
4501. Adj for surplus increase.....	(3,691)	(30,845)
4502.		
4503.		
4598. Summary of remaining write-ins for Line 45 from overflow page		
4599. Totals (Lines 4501 thru 4503 plus 4598) (Line 45 above)	(3,691)	(30,845)

CASH FLOW

	1 Current Year to Date	2 Prior Year
Cash from Operations		
1. Premiums and revenues collected net of reinsurance	19,898,924	36,498,738
2. Claims and claims adjustment expenses	18,534,770	34,989,814
3. General administrative expenses paid	1,815,357	3,482,818
4. Other underwriting income (expenses)	601,951	1,692,883
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	150,748	(281,011)
6. Net investment income	72,681	191,200
7. Other income (expenses)	1,146	
8. Federal and foreign income taxes (paid) recovered	(166,701)	(113,000)
9. Net cash from operations (Lines 5 to 8)	57,874	(202,811)
Cash from Investments		
10. Proceeds from investments sold, matured or repaid:		
10.1 Bonds		300,000
10.2 Stocks		
10.3 Mortgage loans		
10.4 Real estate		
10.5 Other invested assets		
10.6 Net gains or (losses) on cash and short-term investments		
10.7 Miscellaneous proceeds		
10.8 Total investment proceeds (Lines 10.1 to 10.7)		300,000
11. Cost of investments acquired (long-term only):		
11.1 Bonds		
11.2 Stocks		
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Miscellaneous applications		
11.7 Total investments acquired (Lines 11.1 to 11.6)		
12. Net Cash from investments (Line 10.8 minus Line 11.7)		300,000
Cash from Financing and Miscellaneous Sources		
13. Cash provided:		
13.1 Surplus notes, capital and surplus paid in	0	500,000
13.2 Net transfers from affiliates		
13.3 Borrowed funds received		
13.4 Other cash provided	222,287	585,839
13.5 Total (Lines 13.1 to 13.4)	222,287	1,085,839
14. Cash applied:		
14.1 Dividends to stockholders paid		
14.2 Net transfers to affiliates	135,202	214,696
14.3 Borrowed funds repaid	5,693	17,253
14.4 Other applications	0	70,230
14.5 Total (Lines 14.1 to 14.4)	140,895	302,179
15. Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	81,392	783,660
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
16. Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	139,266	880,849
17. Cash and short-term investments:		
17.1 Beginning of period	2,375,684	1,494,835
17.2 End of period (Line 16 plus Line 17.1)	2,514,950	2,375,684

STATEMENT AS OF JUNE 30, 2002 OF THE Grand Valley Health Plan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	20,503	279	20,224							
2 First Quarter	20,071	191	19,880							
3 Second Quarter	19,637	180	19,457							
4. Third Quarter										
5. Current Year										
6 Current Year Member Months	120,460	1,101	119,359							
Total Member Ambulatory Encounters for Period:										
7. Physician	10,611	97	10,514							
8. Non-Physician	31,230	285	30,945							
9. Total	41,841	382	41,459							
10. Hospital Patient Days Incurred	2,178	20	2,158							
11. Number of Inpatient Admissions	548	5	543							
12. Premiums Collected	19,468,856	236,356	19,232,500							
13. Premiums Earned	19,394,694	236,356	19,158,338							
14. Amount Paid for Provision of Health Care Services	18,405,672	241,372	18,164,300							
15. Amount Incurred for Provision of Health Care Services	17,613,521	230,983	17,382,538							

CLAIMS PAYABLE (Reported and Unreported)

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (Hospital & Medical)	3,333,944	7,070,954	72,954	3,248,543	3,406,898	4,113,648
2. Medicare Supplement						
3. Dental Only.....						
4. Vision Only.....						
5. Federal Employees Health Benefits Plan Premiums						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid.....						
8. Other						
9. Subtotal	3,333,944	7,070,954	72,954	3,248,543	3,406,898	4,113,648
10. Medical incentive pools, accruals and disbursements						
11. Totals	3,333,944	7,070,954	72,954	3,248,543	3,406,898	4,113,648

NOTES TO FINANCIAL STATEMENTS

Note 1 not required by State of Michigan. No change in Accounting Practices.

Note 2 : No accounting changes and corrections of errors.

Note 3 : No business combinations and goodwill.

Note 4: No discontinued operations.

Note 5A: No mortgage loans.

Note 5B: No debt restructuring.

Note 5C : No repurchase agreements.

Note 6: Leonard Street LLS . Grand Valley Health Plan ownership interest as of 6/30/02 was \$805,019.

Note 7: Investment Income accrual based on account statements issued by Fifth Third Bank.

Note 8: None

Note 9: Deffered Income Taxes as of 6-30-02 comprised of the following:

Deferred Federal Income Tax	\$2,046,000
Accrued Federal Income Tax	<u>(\$ 166,701)</u>
Total	\$1,879,299

Note 10: No changes in holding company structure. Intercompany balances change daily as transactions are routinely processed. The current intercompany accounts for Grand Valley Health Plan are as follows:

GVHM	\$203,990
GVHF	\$292,302

Note 11: No changes in debt. Please note that subsequent to June 2002, the lien on the Wyoming Health Center securing a loan to an affiliate was released by Fifth Third Bank.

Note 12: No changes

Note 13: No changes from 2001 filing.

Note 14: No contingencies to report.

Note 15: No new leases.

Note 16: No off-Balance Sheet instruments.

Note 17: The Gambro litigation has been resolved. The amounts determined to be due under the court settlement order have been paid. No amounts related to Gambro claims remain in our IBNR.

Note 18: Not applicable.

Note 19: Not applicable.

Note 20: No extraordinary items.

Note 21: All significant subsequent events have been disclosed.

Note 22: No change in reinsurance carrier. Reinsurance in the amount of \$357,484 has been ceded.

Note 23: Not applicable

Note 24: GVHP remains a staff model hmo servicing members in West Michigan.

Note 25: No significant salvage or subrogation.

Note 26: No changes in claims processing and claims adjustment expense.

Note 27: Under Michigan law, GVHP must maintain a net worth of \$ 1.5 million.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes [] No [X]

1.2 If yes, explain:
.....

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

2.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, attach an organizational chart.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 06/30/1999

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1995

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/19/1997

7.4 By what department or departments?
Office of Financial Services State of Michigan.....

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]

8.2 If yes, give full information:
.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]

9.2 If yes, explain:
.....

10.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

10.2 If yes, give full and complete information relating thereto:
.....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$

12. Amount of real estate and mortgages held in short-term investments:\$

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$	\$
13.24 Short-term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26).....	\$	\$
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

14.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [X]

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No [X]

15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

15.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

15.3 Have there been any changes, including name changes in the custodian(s) identified in 15.1 during the current year? Yes [] No [X]

15.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

SCHEDULE A - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	1,373,954	1,357,032		1,440,136
2. Increase (decrease) by adjustment	(16,922)	(21,351)		(66,182)
3. Cost of acquired				
4. Cost of additions to and permanent improvements				
5. Total profit (loss) on sales				
6. Increase (decrease) by foreign exchange adjustment				
7. Amount received on sales				
8. Book/adjusted carrying value at end of current period	1,357,032	1,335,681		1,373,954
9. Total valuation allowance				
10. Subtotal (Lines 8 plus 9)	1,357,032	1,335,681		1,373,954
11. Total nonadmitted amounts				
12. Statement value, current period (Page 2, real estate lines, current period)	1,357,032	1,335,681		1,373,954

SCHEDULE B - VERIFICATION

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period				
2. Amount loaned during period:				
2.1. Actual cost at time of acquisitions				
2.2. Additional investment made after acquisitions				
3. Accrual of discount and mortgage interest points and commitment fees				
4. Increase (decrease) by adjustment				
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period				
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)				
12. Total nonadmitted amounts				
13. Statement value of mortgages owned at end of current period				

NONE

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period	811,476	811,476		811,476
2. Cost of acquisitions during period:				
2.1. Actual cost at time of acquisitions				
2.2. Additional investment made after acquisitions				
3. Accrual of discount				
4. Increase (decrease) by adjustment		(6,457)		
5. Total profit (loss) on sale				
6. Amounts paid on account or in full during the period				
7. Amortization of premium				
8. Increase (decrease) by foreign exchange adjustment				
9. Book/adjusted carrying value of long-term invested assets at end of current period	811,476	805,019		811,476
10. Total valuation allowance				
11. Subtotal (Lines 9 plus 10)	811,476	805,019		811,476
12. Total nonadmitted amounts				
13. Statement value of long-term invested assets at end of current period	811,476	805,019		811,476

STATEMENT AS OF JUNE 30, 2002 OF THE Grand Valley Health Plan

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	50,820			(820)	50,820	50,000		50,820
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	50,820			(820)	50,820	50,000		50,820
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	50,820			(820)	50,820	50,000		50,820

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999 Totals	959,404	XXX	959,404	7,026	1,684

SCHEDULE DA - PART 2- Verification

Short-Term Investments Owned				
	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	950,736	950,736		603,423
2. Cost of short-term investments acquired		7,026		344,914
3. Increase (decrease) by adjustment	0	1,642		2,399
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments				
7. Book/adjusted carrying value, current period	950,736	959,404		950,736
8. Total valuation allowance				
9. Subtotal (Lines 7 plus 8)	950,736	959,404		950,736
10. Total nonadmitted amounts				
11. Statement value (Lines 9 minus 10)	950,736	959,404		950,736
12. Income collected during period	0			20,088
13. Income earned during period	0			20,088

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	1	2	Direct Business Only Year-to-Date			
			3	4	5	6
States, Etc.	Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premium
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI	No	Yes	19,394,694		
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. U.S. Virgin Islands	VI					
56. Canada	CN					
57. Aggregate Other Alien	OT	.XXX	.XXX			
58. Total (Direct Business)	XXX	(a) 1	19,394,694			
DETAILS OF WRITE-INS						
5701.						
5702.						
5703.						
5798. Summary of remaining write-ins for Line 57 from overflow page						
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)						

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing on "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory question.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

.....Yes.....

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule D - Part 3

NONE

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF JUNE 30, 2002 OF THE Grand Valley Health Plan

SCHEDULE E - PART 1 - CASH

[illegible]